

## Donald Nixon Tells of Vesco Bid for Aid

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NEW YORK, April 2—F.

Donald Nixon, the older of the President's two brothers, testified here today that Robert L. Vesco attempted to use him in his fight against a government investigation.

Nixon appeared here at the trial of two men he identified today as his friends — John N. Mitchell and Maurice H. Stans, his brother's campaign chiefs and one-time Cabinet officers.

In fact, at one time in his testimony today, Nixon saluted to Mitchell, with a "Hello, John," and later said that "I never talk to my brother about anything — and John Mitchell was the man that I was assigned to."

Nixon, who is retiring in several weeks as a vice president of the Marriott Corp. because of ill health, fought against having to appear in the case here. But Judge Lee P. Gagliardi overrode his objections. Nixon is 50 and lives in Newport Beach, Calif.

Nixon said he first met Vesco—who is now a fugitive living in Costa Rica—when Vesco attorney Howard Cerny brought him to meet Nixon on the day his New Jersey company was first listed on the New York Stock Exchange.

The government alleges that Vesco secretly paid \$200,000 in cash to the President's re-election committee in exchange for Mitchell's and Stans' intervention in an investigation of him by the Securities and Exchange Commission.

Vesco was indicted in this case, and Cerny, not indicted, was named as co-conspirator.

Nixon said that "just prior to the election in '72," Cerny came to see him.

Nixon cited "the main thing that he mentioned to me—the only two things

See MITCHELL, A9, Col. 1



Associated Press

F. Donald Nixon, the President's oldest brother, accompanied by attorney Stanley McKiernan of Los Angeles, arrives at court to testify in the Mitchell-Stans trial.

MITCHELL, From A1

really... He told me that there had been a \$200,000 contribution made to my brother's campaign, and that there was an SEC investigation in progress which would very likely expose this contribution, and he felt this probably would happen before the election and he wanted to get this to the President.

"I said, I told him, there was no way that I could do this. I would not. This has been my policy from the time my brother has ever been in politics. I have never taken anything directly to him, nor have I used that office for any purpose for myself or for any client or people I work for."

Nixon said Cerny told him the contribution had been made in cash. "We didn't get into the conversation, and Cerny knew why," testified Nixon, "because I have made it very plain to Cerny that I did not want to get involved in any way with anything to do with the Vesco case."

He said he told Cerny — an old friend — that Cerny certainly knew enough people in Washington "if he wanted to get this information to the President."

"John Mitchell's name came up in that conversation," continued Nixon. "How it came up, whether he suggested it or whether I did, I don't think I did, and whether he — I said, 'John Mitchell is no longer in

government, and he has an office at 20 Broad, maybe he's the one that you should talk to."

On the weekend of Nov. 10-12, 1972, Nixon testified, he talked with Vesco twice. The first time came when his son, Donald A. Nixon — who then was Vesco's executive assistant — called him.

"I did receive a call from my son who in turn put Robert Vesco on," said Nixon.

Nixon said today that "at this moment I don't know for sure who [Donald] works for."

Nixon testified that Vesco had contacted him to find out how to get "an envelope of some kind" to Mitchell over that weekend. He said he returned a call to Vesco that weekend to tell him.

Prosecutor James W. Rayhill pressed Nixon on whether he had returned that call not from his home, but from a public telephone in Newport Beach. The government has already introduced into evidence records of a call made from a public phone in Newport Beach to New York.

Nixon said that "I have made many telephone calls from telephone booths, as we all have in business, but whether I made a call to him or someone else from a telephone booth, I don't know where I made a call to him, but I made a call to him from some telephone."

The return of the call from a public telephone is significant because F. Donald Nixon

knew, President Nixon has said, that his telephone calls were being monitored.

At Disney World on Nov. 17, 1973, the President confirmed that phone taps on Donald Nixon were being conducted for security reasons. My brother was aware of it. He knew why it was done."

Nixon testified here that "It was at my suggestion that I would return a call to him [Vesco] to inform him as to whether this envelope that he wanted delivered to John Mitchell at the Essex House would be accepted by our general manager at the Essex House." (Marriott owns the Essex House, a New York hotel.)

The envelope and its contents have been introduced as evidence in the trial.

My son is working for this man," said Nixon, "so I wasn't trying to go out of my way for him, but I did offer to call the general manager."

Nixon was on the stand for less than half an hour.

Before he testified, this morning, John W. Dean III, the former White House counsel who spent more than two days testifying here against Mitchell and Stans, returned to clarify one word in his earlier testimony.

The appearance took about two minutes.

It was a key word, however. Prosecutor John R. Wing asked if he recalled being asked, "Did Mr. Stans tell you, in substance, that he was working with Cook and trying

to get him to delete any specific reference to the contribution in that SEC complaint against Vesco?"

Cook is G. Bradford Cook, former general counsel and chairman of the SEC, who testified here that Stans pressured him to help cover up the contribution.

The transcript, Wing told Dean, "reflects that you answered that question no. What is the correct answer to the question, Mr. Dean?"

Dean replied, "Yes," and was gone again.

Vesco's confidential secretary, Shirley Bailey, also took the stand for a second time today to clarify some of her earlier testimony.

Much of the day was occupied, however, with the testi-

mony of assistant SEC counsel Robert E. Kushner, who wrote the complaint that eventually was filed against Vesco and 40 other defendants in New York on charges of looting mutual funds of \$224 million.

In sum, Kushner's testimony raised questions — as has other testimony — about the role of then-SEC chairman William J. Casey in the Vesco matter. Casey now heads the Export-Import Bank.

Kushner's testimony, like that of SEC enforcement head Stanley Sporkin Monday, in effect bolstered the testimony of Cook here last week, when cross-examination cast doubt on whether he was testifying truthfully in court.

The prosecution expects to complete its case by mid-day Wednesday. The defense is expected to begin Friday.